

AGREEMENT BETWEEN THE COMPETITION AND CONSUMER PROTECTION COMMISSION
and
CHAIRS LIMITED

AGREEMENT and UNDERTAKINGS dated 15/4/2021, between,

1. **The Competition and Consumer Protection Commission**
- and
2. **Chairs Limited.**

WHEREAS:

- A. The Competition and Consumer Protection Commission (the "Commission") is a statutory body and one of its functions pursuant to the Competition and Consumer Protection Act 2014 is to enforce the Competition Act 2002, as amended (the "Act") and Articles 101 and 102 of the Treaty on the Functioning of the European Union ("TFEU"). Section 4 of the Act and Article 101 TFEU prohibit anti-competitive arrangements between undertakings;
- B. The Commission's role is to investigate suspected breaches of provisions of the Act and/or Articles 101 or 102 TFEU and to take appropriate enforcement action to deter such breaches and encourage on-going compliance with the provisions of the Act and/or Articles 101 and 102 TFEU;
- C. Section 4(1) of the Act prohibits agreements between undertakings, decisions by associations of undertakings and concerted practices which have as their object or effect the prevention, restriction or distortion of competition in trade in any goods or services in the State or in any part of the State. Article 101(1) TFEU prohibits all agreements between undertakings, decisions by associations of undertakings and concerted practices which may affect trade between Member States and which have as their object or effect the prevention, restriction or distortion of competition within the internal market;
- D. Agreements or concerted practices having as their direct or indirect object the establishment of a fixed or minimum resale price or a fixed or minimum price level to be observed by the buyer ("resale price maintenance", "RPM") constitute conduct prohibited under section 4(1) of the Act and/or Article 101(1) TFEU;
- E. Chairs Limited is a wholesale and trade-only supplier of Household Furniture Products and accessories (including giftware, floral, Christmas and lighting products) with a warehouse and show room in Accrington, Lancashire, UK and imports its Household Furniture Products in the State where it trades under the name "Coach House" ("Coach House"). It supplies Household Furniture Products to customers located in the State;

- F. On 11 April 2019 the Commission commenced an investigation into suspected anti-competitive practices by Coach House in the supply of Household Furniture Products in the State;
- G. The Investigation involved an assessment of whether there was conduct which could constitute RPM, contrary to Section 4 Of the Act and/or Article 101 TFEU, in the manner in which Coach House's suggested selling prices ("SSPs") were applied in the resale of Coach House's Household Furniture Products in the State;
- H. Coach House has cooperated fully at all times with the Investigation;
- I. Following its Investigation, the Commission made preliminary findings that Coach House may have engaged in RPM conduct between March 2013 and August 2017 and may thereby have infringed section 4 of the Act and Article 101 TFEU;
- J. Coach House does not accept, and makes no admission regarding, the preliminary findings and, for the avoidance of doubt, denies that there was a breach of section 4 of the Act or Article 101 TFEU. The entry into this Agreement and Undertakings is not and should not be taken as implying or suggesting any such acceptance or admission by Coach House;
- K. The Commission confirms that this Agreement and Undertaking resolves any and all competition law concerns which arose during the course of the Investigation regarding Coach House's conduct;
- L. It is the intention of the Commission to apply to the High Court under section 14B of the Act for an order in the terms of this Agreement and Undertakings. Coach House consents to the High Court making an order in the terms of this Agreement and Undertakings pursuant to section 14B of the Act and has obtained legal advice before so consenting.

DEFINITIONS

1. In this Agreement and Undertakings, the following terms shall have the following meanings:

"Act"- means the Competition Act 2002, as amended;

"Coach House"- means Chairs Limited trading as Coach House, a private company limited by share capital incorporated in England and Wales with Company Registration Number 02714841 and registered office at Metcalf Drive, Altham Industrial Estate, Accrington, BB5 5TU, United Kingdom, and all undertakings directly or indirectly controlled by Coach House whereby the notion of control shall be interpreted pursuant to section 16 of the Act;

"Commission" - means the Competition and Consumer Protection Commission and its successors;

- “Customer”-** means an undertaking that purchases Coach House Household Furniture Products for resale and/or is subject to the Coach House terms and conditions as published on the website of Coach House;
- “Household Furniture Products”-** means furniture products supplied by Coach House and intended for household, excluding other products such as lighting and decorative accessories;
- “Investigation”-** means the investigation commenced by the Commission on 11 April 2019 into suspected anti-competitive practices in relation to the supply of Household Furniture Products by Coach House in the State contrary to section 4 of the Act and/or Article 101 TFEU;
- “Parties” -** means the Commission and Coach House;
- “RPM” -** means resale price maintenance, namely agreements or concerted practices having as their direct or indirect object the establishment of a fixed or minimum resale price;
- “State” –** means the Republic of Ireland; and,
- “Term”** means a period of seven (7) years beginning from the date of execution of the Agreement and Undertakings by both Parties.

NOW THE COMMISSION AND COACH HOUSE HEREBY AGREE AS FOLLOWS:

Coach House’s undertakings

2. Coach House undertakes not to engage in RPM conduct, and, in particular:
 - a. to refrain from imposing or agreeing any terms and conditions that place obligations on its Customers to adhere to Coach House’s suggested, minimum or fixed resale prices for the Household Furniture Products; and
 - b. to refrain from restricting the ability of Customers to determine the resale price of Household Furniture Products independently.

Commission’s undertaking

3. In consideration of Coach House entering into this Agreement and Undertakings, the Commission undertakes that it shall conclude the Investigation and shall refrain from instituting proceedings pursuant to section 14A of the Act against Coach House in respect of any matter to which the

Investigation relates for so long as Coach House remains in compliance with the Agreement and Undertakings.

Application under Section 14B of the Act

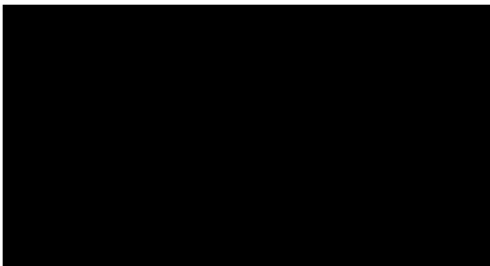
4. Coach House consents to the Commission making an application to the High Court pursuant to section 14B of the Act for an order in the terms of this Agreement and Undertakings and further consents to the High Court making an order in the terms of this Agreement and Undertakings. Coach House hereby acknowledges that it is aware that failure to comply with any order so made would constitute contempt of court.

Final provisions

5. This Agreement and Undertakings shall be, and is intended by the Parties to be, a binding and enforceable agreement which may be enforced by the Parties by an action in any court of competent jurisdiction in the State.
6. This Agreement and Undertakings shall take effect upon its execution by both parties and shall remain in force for the Term.

EXECUTED BY:

For and on behalf of the Competition and Consumer Protection Commission



EXECUTED BY:

For and on behalf of Coach House

